

Senator Bishop will be sorely missed in the halls of the Colorado Capitol, both for his wisdom and knowledge of Colorado, but also for his kind and gentle demeanor which endeared him to all those with whom he came in contact.

1998 marked the end of Senator Bishop's tenure in elected office and the state of Colorado is worse-off because of his absence. There are too few people in elected office today who are prepared to serve in the selfless and diligent manner of Tillman Bishop. He is the embodiment of the citizen-legislator and a model for every official in elected office.

His constituents, of whom I was one, owe him a debt of gratitude and I wish him well in his well-deserved retirement.

## INTRODUCTION OF LEGISLATION

### HON. JIM McCRERY

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, February 10, 1999*

Mr. McCRERY. Mr. Speaker, today I am pleased to introduce on behalf of myself, Mr. NEAL of Massachusetts and several of my other colleagues from the Ways and Means Committee, legislation to permanently extend the exception from Subpart F for active financing income earned on overseas business. U.S.-based finance companies, insurance companies and brokers, banks, securities dealers, and other financial services firms should be permitted to act like other U.S. industries doing business abroad and defer U.S. tax on the earnings from the active operations of their foreign subsidiaries until such earnings are returned to the U.S. parent company. Without this legislation, the current law provision that keeps U.S. financial services industry on an equal footing with foreign-based competitors will expire at the end of this year. Moreover, this legislation will afford America's financial services industry parity with other segments of the U.S. economy.

Due to the international growth of American finance and credit companies, banks and securities firms, and insurance companies and brokers, this legislation is essential in securing the position of the U.S. financial services industry by making this provision a permanent part of the law and ending the potential impairment of these industries because of the "on-again, off-again" system of annual extensions that does not allow for fiscal certainty.

Furthermore, Mr. Speaker, we believe the permanent extension of this provision is particularly important today as the U.S. financial services industry is the global leader and plays a pivotal role in maintaining confidence in the international marketplace. Also, recently concluded trade negotiations have opened new foreign markets for this industry, and it is essential that our tax laws complement this trade effort.

Additionally, Mr. Speaker, while this legislation merely provides for a permanent extension of current law, the highly competitive and global nature of many of the businesses that will benefit from this legislation must continually be reassessed to ensure that U.S. tax policy does not hamper their ability to compete in the international marketplace. One such area to which I hope the Congress and Treasury department will give further attention is the

business of reinsurance. This industry is placing more business outside of their home countries, a trend which continues and is accelerating. Many of these decisions are motivated by a variety of business reasons and the highly competitive global nature of the business itself. While some of the changes made last year were included to close down perceived tax avoidance schemes, we, in turn, should not create or perpetuate a restrictive tax regime that penalizes those who are doing legitimate business transactions and have significant business operations in those countries.

In closing, we must not allow the tax code to revert to penalizing U.S.-based companies by allowing to occur the expiration of the temporary provision after this year and hope that this legislation can be given every possible consideration.

### MINNESOTA CELEBRATES PEARSON CANDY'S SWEET TREATS FOR 85 YEARS

### HON. BRUCE F. VENTO

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, February 10, 1999*

Mr. VENTO. Mr. Speaker, I submit for the RECORD the following article from the Monday, January 18, 1999, edition of the St. Paul Star Tribune which recognizes the continued success of the Pearson Candy Co. I want to extend my congratulations to the owners and employees for continuing to produce quality candies for more than 85 years.

This recognition is well-deserved; not only for their production of delicious treats such as Nut Goodies and Salted Nut Rolls, but also for their commitment to the community of St. Paul, Minnesota. In such a competitive industry with the mega companies such as Hershey's, Nestle, and Mars, and a host of foreign imports, it is a superb accomplishment for the Pearson Candy Company of St. Paul, Minnesota to continue in the tradition of a great quality product.

Congratulations and best wishes to the Pearson Candy Co. and their good work force, that have provided the candy treats of my youth yesterday, for our grandchildren today, and hopefully will be doing so long into the new century tomorrow.

[From the St. Paul Star Tribune, Jan. 18, 1999]

AROUND ST. PAUL: PEARSON CANDY CO. CELEBRATES 90 YEARS

(By Joe Kimball)

Automation handles much of the candymaking these days at the Pearson Candy Co., but workers at the W. 7th Street plant watch every stage to pluck out broken or misshapen Nut Goodies, mints and Salted Nut Roll.

"If we learned anything from George Pearson, it's that our recipes are great, but the tradition of quality is what sets us apart," said company co-owner Larry Hassler.

The late George Pearson, who died in 1995, ran the company for 20 years, and is remembered as a great boss and great candymaker. The company founded by his father, P. Edward Pearson, turns 90 this year.

Pearson Candy competes in a field largely dominated by three giants—Hershey, Mars and Nestle—Hassler said.

After some rocky years in the 1980s, Pearson Candy now thrives under new manage-

ment. The company recently added the Bun bar, which comes in maple, caramel and vanilla.

The company has been selling mints and Salted Nut Rolls through Wal-Mart and Target stores, and Hassler says he hopes to build on that national recognition of the Pearson brands.

But not all of the company's candy bar brands have survived over the years: Remember the Denver Sandwich?

It was something like a Twix bar, but a little ahead of its time.

Hassler takes the credit (or blame) for killing the famous Seven Up bar about 20 years ago. He said it took 10 workers to make the bar, which had seven creme and flavored fillings, and the company lost a dime on each bar it sold.

But the Seven Up bar had a special role in building the W. 7th Street plant.

"Pearson owned the name, 'Seven Up,' but so did the 7-Up soda company, so they'd come once a year to George Pearson and ask to buy the name so they could legally protect it, and then they'd lease the name back to us.

"Well, every year George would say no. I think he got a thrill out of telling this big company to just go away. But finally, in the 1950s, they came again and offered him a blank check. This time, he wrote in an amount, some very, very high figure, and they said: 'We've got a deal.'

"Those proceeds built this plant."

#### COMPANY HISTORY

P. Edward Pearson and four brothers started the company in Minneapolis. With the Nut Goodie, invented in 1913, and the Salted Nut Roll, 1921, it grew to be one of the nation's top 20 candy manufacturers.

When P. Edward died in 1933, his son George quit college and became a partner with his uncles. In 1951, George bought the Trudeau Candy Co. in St. Paul, which made mints and the Seven Up bar.

George became president of the company in 1959 but sold it in 1969 to International Telephone and Telegraph's Continental Baking Co. Ten years later, a Chicago entrepreneur bought the company, and in 1981 Hassler was brought in as a financial officer. Hassler and Judy Johnston bought the company in 1985.

#### KEEPING THE NUT GOODIE

In the production area, which makes up most of the plant's 130,000 square feet, plant manager Roger Bruce supervises two shifts of workers who mix and blend sugar, corn syrup, chocolate and peanuts. About 175 people work for the company.

The peanuts come from North Carolina in 2,000-pound bags. The plant uses four to eight bags a day.

Hassler said his longtime employees saved him from making a big mistake in the 1980s—dropping the Nut Goodie.

"We were losing a nickel a bar and every time I saw an order for 100 cases, it killed me," he said. They had changed the bar's recipe and wrapper and weren't selling enough to make a profit.

"People in the plant said we've got to make the Nut Goodie the way they used to make it and go back to the old ugly, red-and-green wrapper. We did it and they were 100 percent right." Now, the company sells enough Nut Goodies to make a tidy profit.

Hassler said he has had sweet overtures from neighboring states asking him to move. But he's not chewing on those offers.

"St. Paul has been good for us. If you take St. Paul out of the equation, I'm afraid we'd lose it all," he said.

He's not entertaining buyout offers, either. "If I sold out and made a fortune, I know I'd spend the rest of my life looking for another company just like Pearson Candy," he said.